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CENTRAL OF GEORGIA RAILWAY COMPANY,

TO

GUARANTY TRUST COMPANY OF
NEW YORK,
TRUSTEE.

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# Trust Indenture.

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DATED JUNE 1, 1919.

A TRUST INDENTURE dated the first day of June, one thousand nine hundred and nineteen, by and between CENTRAL OF GEORGIA RAILWAY COMPANY, a corporation duly created and existing under the laws of the State of Georgia (hereinafter called the Railway Company), party of the first part, and GUARANTY TRUST COMPANY OF NEW YORK, a corporation duly created and existing under the laws of the State of New York (hereinafter called the Trustee), party of the second part, WITNESSETH:

WHEREAS, for the purpose of borrowing money for its lawful corporate purposes, the Railway Company, by resolutions duly adopted by its board of directors, has resolved to create an issue of bonds (coupon and registered) for an aggregate principal sum not exceeding Eight Million Dollars ($8,000,000) at any one time outstanding, to be designated as Ten Year Six Per Cent. Secured Gold Bonds of the Railway Company, to be payable on the first day of June, 1929, in gold coin of the United States of America of or equal to the standard of weight and fineness existing June 1, 1919, at the office or agency of the Railway Company, in the Borough of Manhattan in the City and State of New York, and to bear interest from June 1, 1919, at the rate of six per cent. per annum, payable semi-annually at said office or agency in like gold coin on June 1 and December 1 in each year; and

WHEREAS, by resolutions duly adopted by its board of directors, the Railway Company has ordered and directed that the coupon bonds and the coupons to be there-

to attached and the registered bonds without coupons and the certificate of authentication of the Trustee to be endorsed upon all bonds be respectively in substantially the forms following, viz.:

[FORM OF COUPON BOND.]

No. $1,000

UNITED STATES OF AMERICA.

STATE OF GEORGIA.

CENTRAL OF GEORGIA RAILWAY COMPANY.

TEN YEAR SIX PER CENT. SECURED GOLD BOND.

Central of Georgia Railway Company (hereinafter called the Railway Company), a corporation of the State of Georgia, for value received, hereby promises to pay to the bearer, or, if this bond be registered, then to the registered holder hereof, on June 1, 1929, at the office or agency of the Railway Company in the Borough of Manhattan in the City and State of New York, the sum of One Thousand Dollars, in gold coin of the United States of America of or equal to the standard of weight and fineness as it existed on June 1, 1919, and to pay interest thereon from June 1, 1919, at the rate of six per cent. per annum, payable semi-annually at said office or agency in like gold coin on December 1 and June 1 in each year, on presentation and surrender, as they shall severally mature, of the coupons hereto annexed.

Both principal and interest of this bond are payable without deduction for any tax, assessment or governmental charge (other than income taxes exceeding in the aggregate two per centum per annum) which the Railway Company or the Trustee under the Trust Indenture hereinafter mentioned may be required to pay, or to retain

therefrom, under any present or future law of the United States of America, or of any State, county, municipality or other taxing authority therein.

This bond is one of a series of bonds (coupon and registered), limited to the aggregate principal amount of Eight Million Dollars ($8,000,000) at any one time outstanding, known as the Ten Year Six Per Cent. Secured Gold Bonds of the Railway Company, all issued and to be issued under and equally secured by a Trust Indenture dated June 1, 1919, between the Railway Company and Guaranty Trust Company of New York, as Trustee (herein termed the Trust Indenture). For a description of the nature and extent of the security and the terms and conditions upon which the bonds are secured, reference is made to the Trust Indenture.

This bond shall pass by delivery unless it shall be registered as to principal in the name of the owner at said office or agency of the Railway Company, such registration being noted on the bond by or on behalf of the Railway Company. After such registration no transfer shall be valid unless made at said office or agency by the registered owner hereof in person, or by his duly authorized attorney, and similarly noted on the bond; but the same may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; but this bond may again, from time to time, be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons, which shall continue to be transferable by delivery merely.

The holder of this bond, at his option, may surrender the same for cancellation, with all unmatured coupons hereto appertaining, in exchange for a registered bond without coupons, as provided in the Trust Indenture, and on payment, if the Railway Company shall require it, of the charges therein provided for; and such registered bond may in turn be re-exchanged for a coupon bond.

In case an event of default, as defined in the Trust Indenture, shall happen, the principal of the bonds may become or be declared due and payable in the manner and with the effect provided in the Trust Indenture.

This bond is subject to redemption at the election of the Railway Company on June 1, 1924, and thereafter on December 1 or June 1 in any year, at the principal amount thereof and accrued interest, plus a premium equal to one-half of one per cent of the principal amount thereof for each six months between the redemption date and the date of maturity, upon sixty days' prior notice by publication, as provided in the Trust Indenture.

No recourse shall be had for the payment of the principal of or the interest upon this bond, or for any claim based hereon or otherwise in respect hereof or of the Trust Indenture, against any incorporator, stockholder, officer or director, past, present or future, of the Railway Company, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being by the acceptance hereof and as part of the consideration for the issue hereof expressly waived, as provided in the Trust Indenture.

This bond shall not be valid or become obligatory for any purpose until it shall have been authenticated by the certificate, hereon endorsed, of the Trustee under the Trust Indenture.

In Witness Whereof Central of Georgia Railway Company has caused this bond to be signed by its President or one of its Vice-Presidents, and its corporate seal to be hereunto affixed, and to be attested by its Secretary or an Assistant Secretary, and coupons for said interest, bearing the fac-simile signature of its Treasurer, to be attached hereto, the first day of June, 1919.

CENTRAL OF GEORGIA RAILWAY COMPANY,

by

President.

Attest:

Secretary.

[FORM OF INTEREST COUPON.]

From which shall be omitted in the case of coupons maturing on and prior to June 1, 1924, the words "unless the bond hereinafter mentioned shall have been called for previous redemption."

No. $30

On the first day of 19 , unless the bond hereinafter mentioned shall have been called for previous redemption, Central of Georgia Railway Company will pay to bearer, at its office or agency in the Borough of Manhattan, in the City and State of New York, Thirty Dollars in United States Gold Coin, being six months' interest then due on its Ten Year Six Per Cent. Secured Gold Bond No.

Treasurer.

[FORM OF REGISTERED BOND WITHOUT COUPONS.]

No. $

UNITED STATES OF AMERICA.

STATE OF GEORGIA.

**CENTRAL OF GEORGIA RAILWAY COMPANY.**

REGISTERED TEN YEAR SIX PER CENT. SECURED GOLD BOND.

Central of Georgia Railway Company (hereinafter called the Railway Company), a corporation of the State of Georgia, for value received, hereby promises to pay to or registered assigns, on June 1, 1929, at the office or agency of the Railway Company in the Borough of Manhattan, in the City and State of New York the sum of thousand Dollars, in gold coin of the United States of America of or equal to the standard of weight and fineness as it existed on June 1, 1919, and to pay interest thereon from December 1 or June 1, as the case

may be, next preceding the date hereof (unless this bond be dated June first or December first, and in that event from date), at the rate of six per cent. per annum, payable semi-annually at said office or agency in like gold coin on December 1 and June 1 in each year.

Both principal and interest of this bond are payable without deduction for any tax, assessment or governmental charge (other than income taxes exceeding in the aggregate two per centum per annum) which the Railway Company or the Trustee under the Trust Indenture hereinafter mentioned may be required to pay, or to retain therefrom, under any present or future law of the United States of America, or of any State, county, municipality or other taxing authority therein.

This bond is one of a series of bonds (coupon and registered), limited to the aggregate principal amount of Eight Million Dollars ($8,000,000) at any one time outstanding, known as the Ten Year Six Per Cent. Secured Gold Bonds of the Railway Company, all issued and to be issued under and equally secured by a Trust Indenture dated June 1, 1919, between the Railway Company and Guaranty Trust Company of New York, as Trustee (herein termed the Trust Indenture). For a description of the nature and extent of the security and the terms and conditions upon which the bonds are secured, reference is made to the Trust Indenture.

This bond is transferable by the registered owner hereof in person or by his duly authorized attorney at said office or agency of the Railway Company, upon surrender and cancellation of this bond, and thereupon a new registered bond without coupons will be issued to the transferee in exchange herefor; or the registered owner of this bond, at his option, may surrender the same for cancellation at said office or agency in exchange for the same aggregate amount of principal in coupon bonds, all as provided in the Trust Indenture, and on payment,

in either case, if the Railway Company shall require it, of the charges therein provided for; and such coupon bond or bonds may in turn be re-exchanged for a registered bond.

In case an event of default, as defined in the Trust Indenture, shall happen, the principal of the bonds may become or be declared due and payable in the manner and with the effect provided in the Trust Indenture.

This bond is subject to redemption at the election of the Railway Company on June 1, 1924, and thereafter on December 1 or June 1 in any year, at the principal amount thereof and accrued interest plus a premium equal to one-half of one per cent of the principal amount thereof for each six months between the redemption date and the date of maturity, upon sixty days' prior notice by publication, as provided in the Trust Indenture.

No recourse shall be had for the payment of the principal of or the interest upon this bond, or for any claim based hereon or otherwise in respect hereof or of the Trust Indenture, against any incorporator, stockholder, officer or director, past, present or future, of the Railway Company, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being by the acceptance hereof and as part of the consideration for the issue hereof expressly waived, as provided in the Trust Indenture.

This bond shall not be valid or become obligatory for any purpose until it shall have been authenticated by the certificate, hereon endorsed, of the Trustee under the Trust Indenture.

In Witness Whereof Central of Georgia Railway Company has caused this bond to be signed by its President or one of its Vice-Presidents, and its corporate seal to be hereunto affixed, and to be attested by its Secretary or an Assistant Secretary, the day of 19

CENTRAL OF GEORGIA RAILWAY COMPANY,
by

President.

Attest:

Secretary.

[FORM OF TRUSTEE'S CERTIFICATE ON ALL BONDS.]

This bond is one of the bonds described in the within mentioned Trust Indenture.

GUARANTY TRUST COMPANY OF NEW YORK,
Trustee,
by

AND WHEREAS, by resolutions of its board of directors duly adopted, the Railway Company has determined to secure said bonds by the deposit and pledge under this Trust Indenture with the Trustee of the securities hereinafter specified, and has approved the form of this indenture; and

WHEREAS, by resolutions of its board of directors duly adopted, the Railway Company has further ordered and directed that the President or one of the Vice-Presidents of the Railway Company sign in its name and under its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and acknowledge and deliver on its behalf to Guaranty Trust Company of New York, as Trustee, an indenture in the form of this Trust Indenture, and that the Ten Year Six Per Cent. Secured Gold Bonds of the Railway Company which are hereinafter sometimes termed Gold Bonds, be made, authenticated and delivered as in this indenture provided; and

WHEREAS all things necessary to make the Gold Bonds, when authenticated by the Trustee and issued under this

indenture, the valid, binding and legal obligations of the Railway Company, and to make this indenture a valid, binding and legal agreement for the security thereof, have been done and performed:

NOW THEREFORE THIS INDENTURE WITNESSETH: That in order to secure the payment of the Gold Bonds at any time issued and outstanding under this indenture, according to their tenor, purport and effect, as well the interest as the principal thereof, and to secure the performance and observance of all the covenants and conditions therein and herein contained, and to declare the terms and conditions upon which the Gold Bonds are issued and secured, and for and in consideration of the premises and of the acceptance or purchase of the Gold Bonds by the holders thereof, and of the sum of one hundred dollars ($100), lawful money of the United States of America, to it duly paid by the Trustee at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, the Railway Company hath sold, assigned, transferred, pledged and set over, and by these presents doth sell, assign, transfer, pledge and set over unto the Trustee, its successors in the trust, and its and their assigns, the following bonds hereinafter sometimes referred to as the "pledged securities," to-wit:

> Eleven Million Dollars ($11,000,000), principal amount, Central of Georgia Railway Company Refunding and General Mortgage Six Per Cent. Bonds, Series A, due April 1, 1959, issued under and secured by the Refunding and General Mortgage, dated April 1, 1919, made by Central of Georgia Railway Company to United States Mortgage and Trust Company, as Trustee.

To have and to hold all and singular said pledged securities unto the Trustee and its successors in the trust, and its and their assigns, forever;

In trust nevertheless for the common and equal use, benefit and security of all and singular the person or persons, firm or firms, body or bodies politic or corporate, who shall from time to time be holders of any of the Gold Bonds and the coupons thereto appertaining, and without preference of any of the Gold Bonds and coupons over any of the others by reason of priority in the time of issue or negotiation thereof, or otherwise howsoever (except as provided in Section 5 of Article Third hereof), subject to the terms, provisions and stipulations in the Gold Bonds contained, and for the uses and purposes and upon and subject to the terms, conditions, provisos and agreements hereinafter expressed and declared.

## ARTICLE FIRST.

Section 1. The coupon and registered bonds to be issued under and secured by this indenture, together with the coupons appertaining to the coupon bonds, shall respectively be substantially of the tenor and purport above recited, and shall be known as the Railway Company's Ten Year Six Per Cent. Secured Gold Bonds. From all coupons maturing on and prior to June 1, 1924, the words "unless the bond hereinafter mentioned shall have been called for previous redemption" shall be omitted. The coupon bonds shall be numbered consecutively from 1 upward and shall be of the denomination of one thousand dollars each. The registered bonds without coupons shall be of the denom-

inations of one thousand dollars and of such multiples of one thousand dollars as the board of directors or executive committee of the Railway Company shall from time to time authorize.

The coupon bonds shall bear date June 1, 1919, and the registered bonds without coupons shall bear date of the day of their issue, respectively. At the option of the Railway Company, any of such bonds, as herein provided, may be executed, authenticated and delivered originally either as coupon bonds or registered bonds.

Whenever any bond shall be issued hereunder as a registered bond without coupons there shall be reserved by the Railway Company unissued an aggregate principal amount of such coupon bonds equal to the aggregate principal amount of the registered bonds so issued, and an appropriate statement with respect to such reservation may be endorsed upon the issued bond.

Section 2. The Gold Bonds shall be signed in the name and on behalf of the Railway Company by its President or one of its Vice-Presidents, and its corporate seal shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. The Gold Bonds so signed, sealed and attested shall then be delivered to the Trustee for authentication by it, and shall be authenticated by the Trustee and without further action be redelivered to the Railway Company, or upon its written order signed by its President or one of its Vice-Presidents, and by its Secretary or an Assistant Secretary under its corporate seal, at any time after the execution and delivery hereof, and upon delivery to the Trustee on the trusts hereof of all the pledged securities described in the Pledging Clause of this indenture. The pledged securities shall be so delivered in bearer or registered form, and, if in registered form, accompanied by proper

instruments of assignment and transfer in blank, and carrying all unmatured coupons and claims for interest appertaining thereto. They may be in either temporary or definitive form and shall be accompanied by the certificate of the General Counsel of the Railway Company specifying each Public Service Commission or other governmental authority the consent or approval of which to the valid pledge thereof under this indenture and on the terms hereof is required to be obtained by any law of the United States or of any State therein, and certifying that such consent or approval of every such commission or governmental authority has been obtained, that said pledged securities forming the subject of such certificate have been validly issued under the mortgage and deed of trust securing them, that by such delivery such pledged securities are validly pledged under this indenture on the terms hereof, and that the Railway Company in respect of the pledged securities forming the subject of such certificate has fully complied with the covenants on its part set out in Section 4 of Article Third hereof. Such certificate of said General Counsel shall be full protection to the Trustee in receiving the pledged securities and in certifying and delivering Gold Bonds hereunder.

Section 3. In case any of the officers who shall have signed or sealed any of the Gold Bonds shall cease to be such officers of the Railway Company before the bonds so signed and sealed shall have been actually authenticated by the Trustee, or delivered or sold or otherwise issued, such bonds, nevertheless, may be adopted by the Railway Company, and upon the written request of the Railway Company shall be authenticated and delivered, and may be sold by the Railway Company as though the persons who signed or sealed such bonds had not ceased to be officers of the Railway Company.

Section 4. The coupons to be attached to coupon bonds shall be authenticated by the fac-simile signature of Chas. F. Groves, the present Treasurer of the Railway Company, and the Railway Company may adopt and use for that purpose the signature of the said Chas. F. Groves, nothwithstanding the fact that he shall have ceased to be such Treasurer at the time when any such bonds shall be actually authenticated and delivered or sold or otherwise issued. The first coupon shall be payable December 1, 1919, and shall represent interest to that date from June 1, 1919. Each registered bond shall bear interest from June 1 or December 1, as the case may be, next preceding its date, unless such bond be dated June 1 or December 1, and in that event from its date.

Section 5. Only such Gold Bonds as shall bear thereon endorsed the Trustee's certificate, in the form or substantially the form hereinbefore recited, signed by the Trustee, shall be entitled to any right or benefit hereunder, or be valid or obligatory for any purpose; and such certificate of the Trustee upon any such bond executed on behalf of the Railway Company shall be conclusive evidence that the bond so authenticated has been duly executed, authenticated and delivered hereunder, and that the holder or registered owner thereof is entitled to the benefit of this indenture. Before authenticating or delivering any coupon bond all coupons appertaining thereto, then matured, shall be cut off and cancelled, and such cancelled coupons shall on the written demand of the Railway Company forthwith be delivered by the Trustee to the Railway Company.

SECTION 6. The aggregate principal amount of all the Gold Bonds which may be issued and outstanding under this indenture shall never at any one time exceed the sum of Eight Million Dollars ($8,000,000).

## ARTICLE SECOND.

SECTION 1. The Railway Company shall keep at an office or agency to be maintained by it in the Borough of Manhattan, in the City and State of New York, or cause to be kept at some bank or trust company in said borough, books for the registration and transfer of the Gold Bonds, which at all reasonable times shall be open for inspection by the Trustee; and upon presentation for such purpose the Railway Company will register or cause to be registered therein as hereinafter provided, and under such reasonable regulations as it may prescribe, any of the Gold Bonds.

SECTION 2. The holder of any coupon Gold Bond may have the ownership thereof as to principal registered on said books of the Railway Company at its said office or agency, and such registration noted on the bond by or on behalf of the Railway Company. After such registration as to principal no transfer shall be valid unless made on the Railway Company's books by the registered owner in person or by his duly authorized attorney, and similarly noted on the bond; but the same may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability

of the appurtenant coupons, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer.

Section 3. The holder of any coupon Gold Bond or Bonds, at his option, may, at any time, surrender the same for cancellation with all unmatured coupons thereto appertaining and receive in exchange therefor a like amount of the principal thereof in registered Gold Bonds without coupons, as hereinafter provided; and the registered owner of any registered Gold Bond or Bonds without coupons, at his option, may at any time surrender the same for cancellation and receive in exchange therefor a like amount of the principal thereof in coupon bonds as hereinafter provided. Registered bonds shall be transferable by the registered owner thereof, in person or by his duly authorized attorney, at said office or agency of the Railway Company; and upon surrender and cancellation thereof, new registered bonds without coupons shall be issued to the transferee in exchange therefor, as hereinafter provided.

Section 4. Whenever any coupon Gold Bond or Bonds, together with all unmatured coupons thereto appertaining, shall be surrendered for exchange for registered bonds, the Railway Company shall issue, and the Trustee shall authenticate and deliver, in exchange for such coupon bond or bonds, a like amount of the principal thereof in registered Gold Bonds without coupons, which shall have endorsed thereon the serial number or numbers borne by the coupon bond or bonds so surrendered for exchange. Whenever any registered Gold Bond without coupons shall be surrendered for exchange for a

coupon bond or bonds, the Railway Company shall issue and the Trustee shall authenticate and deliver, in exchange for such registered bonds, a like amount of the principal thereof in coupon Gold Bonds, each bearing one of the serial numbers respectively endorsed upon the registered bond so surrendered, and with coupons for interest thereto attached, maturing on and after the next ensuing interest due date on such surrendered registered bond. Whenever any registered Gold Bond shall be surrendered for transfer, the Railway Company shall issue and the Trustee shall authenticate and deliver, in exchange for such registered bond, a like amount of the principal thereof in new registered Gold Bonds, which shall have endorsed thereon the same serial number or numbers of coupon bonds which were endorsed upon the registered bonds so surrendered. In every case of any such exchange or transfer the Trustee forthwith shall cancel the surrendered bond, and, if a coupon bond, the coupons appertaining thereto, and on its written demand shall deliver the same to the Railway Company.

Section 5. For any exchange of coupon bonds for registered bonds, or of registered bonds for coupon bonds, and for any transfer of registered bonds, the Railway Company, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith, and also the further sum of one dollar for each new bond issued upon such transfer or exchange.

Section 6. In case any coupon bond issued under this indenture or the coupons thereto appertaining, or any registered bond without coupons, shall become mutilated or defaced or be lost or destroyed, then on the terms

herein set forth, and not otherwise, the Railway Company shall issue, and thereupon the Trustee shall authenticate and deliver, a new bond of like tenor and date, bearing in the case of a coupon bond the same serial number as the one mutilated, defaced, lost or destroyed, and, in the case of a registered bond without coupons, having endorsed thereon the same serial number or numbers of coupon bonds as were endorsed upon the registered bond so mutilated, defaced, lost or destroyed, in exchange and substitution for, and upon cancellation of, the mutilated or defaced coupon bond and coupons, or registered bond without coupons, or in lieu of and substitution for the same if lost or destroyed. The applicant for a substituted coupon bond and coupons or registered bond without coupons shall furnish to the Railway Company and the Trustee satisfactory and sufficient evidence of the loss or destruction of such coupon bond and coupons or registered bond without coupons alleged to have been lost or destroyed, and of the ownership and authenticity of such mutilated, defaced, lost or destroyed bond, and also indemnity in a sum sufficient to cover all possible risk, however remote, having as surety thereon a qualified surety company of high standing, and conditioned against all possible loss, damage, liability or expense; and shall pay all expenses and charges of such substitution or exchange. All bonds issued under and secured by this Indenture are held and owned upon the express condition that the provisions of this Section 6 are exhaustive and shall exclude all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

Section 7. Until the definitive Gold Bonds shall be prepared, the Railway Company may sign and seal, and upon the request of the Railway Company the Trustee shall authenticate and deliver, in lieu of such definitive bonds and subject to the same provisions, limitations and conditions, temporary printed bonds with or without coupons, of the denomination of $1,000 or any multiple of $1,000, substantially of the tenor of the definitive bonds hereinabove recited with appropriate omissions, insertions and variations as may be required. Upon surrender of any such temporary bond for exchange, the Railway Company, at its own expense and without making any charge therefor, will sign and seal, and upon cancellation of such surrendered bond the Trustee shall authenticate, and shall deliver in exchange therefor, definitive coupon bonds or registered bonds without coupons for the same aggregate principal sum as the temporary bonds surrendered, and otherwise in accordance with such temporary bonds. Until so exchanged the temporary bonds shall in all respects be entitled to the same lien and security of this indenture as the definitive bonds; and interest when and as payable shall be paid and endorsed thereon, if such temporary bonds shall have been delivered without coupons, or, if such temporary bonds shall have been delivered with coupons, shall be paid on presentation and surrender of such coupons as they mature.

## ARTICLE THIRD.

Section 1. The Railway Company covenants and agrees that duly and punctually it will pay, or cause to be paid, to the holder or registered owner of every of the Gold Bonds, the principal and interest accruing there-

on, all in gold coin of the United States of America of, or equal to, the standard of weight and fineness, as it existed on June 1, 1919, at the dates and place and in the manner mentioned in the Gold Bonds or in the coupons appertaining to coupon bonds, according to the true intent and meaning thereof, and that said principal and interest shall be paid without deduction for any tax, assessment or governmental charge (other than income taxes exceeding in the aggregate two per centum per annum) which the Railway Company or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America, or of any state, county, municipality, or other taxing authority therein. In the event that the Railway Company, or the Trustee, shall be required so to pay or to retain for income taxes a sum or sums in excess in the aggregate of two per centum of the amount of interest payable in any year in respect of any Gold Bond or Gold Bonds, the Railway Company, under the foregoing covenant, shall make payment of such interest as aforesaid without deduction *first* for any such income tax or taxes imposed by any present or future law or laws of the United States up to but not exceeding, in the aggregate, two per centum of such interest payment, and *second* for any such other income tax or taxes up to but not exceeding the amount, if any, by which two per centum of such interest payment exceeds the aggregate amount of such United States income tax or taxes. So long as the Railway Company or the Trustee shall be required under any present or future law of the United States to pay or to retain for income taxes a sum or sums not less than two per centum of the amount of interest payable in any year in respect of any Gold Bond or Gold Bonds, the foregoing covenant shall apply to, and shall be deemed to apply to, only such law of the United States.

The interest on coupon Gold Bonds shall be payable only upon presentation and surrender of the several coupons annexed thereto as such coupons respectively mature; and when and as paid all coupons shall forthwith be cancelled by the Railway Company. The interest on registered Gold Bonds without coupons shall be payable only to the registered owners thereof.

SECTION 2. The Railway Company covenants and agrees that it will at all times, until the payment of the principal of the Gold Bonds, either keep an agency in the Borough of Manhattan, in the City and State of New York, where bonds and coupons may be presented for payment and where notices and demands in respect of the Gold Bonds and coupons may be served, or designate, by written notice to the Trustee and by advertisement, a bank or trust company in said borough for such purposes. In default of any such agency or any such designation, presentation and demand may be made and notices served at the office of the Trustee, but the Trustee shall be under no duty in respect thereto.

SECTION 3. The Railway Company covenants and agrees that it will, at all times until the payment of the principal of every of the Gold Bonds, continue, maintain, extend and renew its corporate existence.

SECTION 4. The Railway Company covenants and agrees that it has duly complied with the requirements of all laws in that behalf, whether of the United States of America, of the State of Georgia or otherwise, in order to authorize the Railway Company, and that the Railway Company is duly authorized, to execute this indenture and to issue and sell the Gold Bonds; that the Rail-

way Company has been duly authorized under the laws of the United States, of the State of Georgia and of every other State to which its action in making such pledge is or may be subject, to pledge, transfer and deliver under this indenture the pledged securities; and that all pledged securities pledged and delivered under this indenture shall have been duly issued under and in pursuance of the mortgage or deed of trust by which they purport to be secured, and shall be entitled to the security of such mortgage and deed of trust, and shall be valid and enforcible obligations of the Railway Company in the full amount thereof, and be free from any lien or charge of any character other than the lien of this indenture.

Section 5. The Railway Company covenants and agrees that it will not, directly or indirectly, extend or assent to the extension of the time for payment of any coupons upon any of the Gold Bonds, and that it will not, directly or indirectly, be a party to any arrangement therefor by purchasing or funding said coupons or in any other manner. In case the payment of any such coupons shall be so extended, whether or not by or with the consent of the Railway Company, such coupons so extended shall not be entitled in case of default hereunder to the benefit or security of this indenture, except subject to the prior payment in full of the principal of all the Gold Bonds, and of all coupons the payment of which has not been so extended; the intention of this covenant being to prevent any accumulation after maturity of coupons or of claims for interest.

Section 6. The Railway Company covenants and agrees that it will from time to time duly pay and dis-

charge all taxes, assessments and other governmental charges lawfully imposed upon the pledged securities or upon any part thereof, the lien of which might or could be held to be prior or superior to the lien of this indenture, so that the priority of the lien of this indenture shall be fully preserved in respect of the pledged securities; and that it will also pay and discharge all taxes, assessments and other governmental charges lawfully imposed upon the estate of the Trustee or upon the interest of the holder of any of the Gold Bonds or coupons in the pledged securities; provided, however, that the Railway Company shall not be required to pay any such taxes, assessments or other governmental charges so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof.

Section 7. The Railway Company covenants and agrees that this indenture is and always shall be kept a first and prior lien upon the pledged securities and that it will not create, or suffer to be created, or to accrue, or to exist, any lien or charge having priority to or preference over the lien of this indenture upon any pledged securities at any time held by the Trustee, or any part thereof, or upon the income thereof.

Section 8. The Railway Company covenants and agrees that it will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage of any stay or extension law now or at any time hereafter in force, nor will it claim, take, or insist upon any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisement of the pledged securities, prior to any sale or sales

thereof to be made pursuant to any provision herein contained, or to the decree of any court of competent jurisdiction; nor will it after any sueh sale or sales claim or exercise any right under any statute to redeem the pledged securities, or any part thereof, or obstruct or impede the accepted purchaser from taking possession of the same; and it hereby expressly waives all benefit or advantage of any sueh law or laws, and covenants that it will not hinder, delay, or impede the execution of any power herein granted and delegated to the Trustee, but will suffer and permit the execution of every such power as though no such law or laws had been made and enaeted.

Section 9. The Railway Company eovenants and agrees that it will do, execute, acknowledge and deliver, or cause or procure to be done, executed, acknowledged and delivered, all and every sueh further acts, deeds, transfers and assurances for the better transferring, conveying, assuring and confirming unto the Trustee all and singular the pledged securities, as the Trustee or the holders of a majority in principal amount of the Gold Bonds at the time outstanding shall reasonably require for better accomplishing the provisions and purposes of this indenture, and for better securing the payment of the principal and interest of the Gold Bonds.

Section 10. The Railway Company eovenants and agrees that it will not obtain the authentieation and delivery of any of the Gold Bonds in any manner otherwise than in accordance with the provisions of this indenture and the agreements in that behalf herein contained, and the requirements of law and due authorization by law; nor will it negotiate, sell, pledge or dispose of any of the Gold Bonds save in aeeordanee with the requirements of law and after due authorization by law.

## ARTICLE FOURTH.

Section 1. The Trustee is authorized in its discretion to require and effect the delivery to it of definitive bonds in exchange for temporary bonds which the Trustee may receive under the provisions of this indenture, and to register in its name as Trustee any and all coupon bonds which the Trustee shall receive or may hold under any of the provisions of this indenture, or to cause the same to be exchanged for registered bonds without coupons of any denomination; and the Trustee may cause to be transferred into its name as Trustee all registered bonds which the Trustee may hold under the trusts hereof, and may cause any registered bonds which it may hold to be exchanged for coupon bonds.

Section 2. Unless the Railway Company shall be in default in the payment of the interest on some one or more of the Gold Bonds, or unless some one or more of the events of default specified in subdivisions (b), (c), (d), (e) and (f) of Section 2 of Article Sixth shall have happened and shall be continuing, the Trustee shall not be entitled to collect or to receive the interest maturing on the pledged securities; and the Trustee shall, as they mature, cut off and cancel the coupons on any of such pledged securities in coupon form and deliver such coupons so cancelled to the Railway Company.

Section 3. The Trustee, with the consent of the Railway Company, may at any time take such steps as in its discretion it shall deem necessary to protect the interests of the holders of the Gold Bonds in respect of any of the pledged securities. In case the Railway Company shall

be in default in the payment of the interest on some one or more of the Gold Bonds, or in case any one or more of the events of default specified in subdivisions (b), (c), (d), (e) and (f) of Section 2 of Article Sixth shall have happened and shall be continuing, the Trustee shall be entitled to take such steps in its uncontrolled discretion without the consent of the Railway Company.

## ARTICLE FIFTH.

Section 1. All of the Gold Bonds, but not a part thereof, may be paid off and redeemed, at the option of the Railway Company, on June 1, 1924, or on any half yearly interest day thereafter, upon payment of the principal amount thereof and accrued interest, together with a premium of one half of one per cent of the principal amount thereof for each six months between the redemption date and June 1, 1929, provided that notice of such election of the Railway Company shall have been given by publication once a week for eight successive weeks, in a daily newspaper of general circulation in the Borough of Manhattan in the City and State of New York, the first publication to be not less than sixty days nor more than eighty days prior to the designated redemption date on which such payment and redemption are to be made, stating such election on the part of the Railway Company, and that interest on the Gold Bonds will cease on the designated redemption date, and requiring that the Gold Bonds shall be then presented for redemption and payment. A similar notice shall be sent by the Railway Company through the mail, postage prepaid, at least sixty days prior to such redemption date, to holders

of registered bonds without coupons and to registered holders of coupon bonds whose addresses shall then appear on the transfer register. Notice having been so given by publication, the Gold Bonds shall on the day designated in such notice become due and payable at the rate hereinbefore mentioned, with the accrued interest thereon to the date of redemption so designated; and from and after the date of redemption so designated (unless the Railway Company shall make default in payment of the redemption price) interest on the Gold Bonds shall cease, and on presentation in accordance with said notice, at the place where the same may be expressed to be payable, of the Gold Bonds, with all coupons maturing on and after such redemption date, they shall be paid by the Railway Company at the rate aforesaid, with accrued interest to such redemption date. All Gold Bonds redeemed and paid shall be cancelled forthwith. If not so paid upon presentation thereof said Gold Bonds shall continue to bear interest at the rate expressed therein until payment.

Section 2. On the deposit with the Trustee of the amount necessary, at the rate hereinbefore mentioned, to redeem all outstanding Gold Bonds, together with proof that notice of redemption on June 1, 1924, or some interest day thereafter has been given in accordance with Section 1 of this Article Fifth, and on payment to the Trustee of all costs, charges and expenses in relation thereto or otherwise payable to the Trustee, the Trustee shall cancel and satisfy this indenture and assign or cause to be assigned and shall deliver to the Railway Company the pledged securities. The Trustee shall apply the moneys so deposited with it to the pay-

ment of the Gold Bonds at the rate aforesaid, with accrued interest to the day designated for redemption. The Trustee shall cancel all Gold Bonds so paid by it and the appurtenant coupons and shall deliver the same so cancelled to the Railway Company.

## ARTICLE SIXTH.

Section 1. In case default shall be made in the payment of any instalment of interest on any of the Gold Bonds, or in case any one or more of the events of default specified in subdivisions (b), (c), (d), (e) and (f) of Section 2 of this Article Sixth shall have happened and shall be continuing, then, and during the continuance of any such default, all interest upon the pledged securities shall be collected and received by the Trustee, and shall be held and applied as follows:

1. To pay any sum which at the time may be due to the Trustee for compensation and expenses in the administration of the trusts hereby created;

2. Subject to the provisions of Section 5 of Article Third hereof, to pay any interest which shall be due and payable on the Gold Bonds, with interest on overdue instalments of interest at the rate of six per cent. per annum, to holders of the coupons for such interest upon their surrender and cancellation, or to the registered holders of registered bonds without coupons. In case the amount so received or collected by the Trustee shall not be sufficient to pay in full the whole of said interest for the time being due and unpaid, the Trustee shall apply the same to the payment of such interest in the order in which the said inter-

est shall have become due, ratably and without discrimination, among the holders of the Gold Bonds and coupons entitled thereto;

3. To pay to the Railway Company, for its own use and benefit, any balance remaining after making the foregoing payments; *provided,* however, that if the Railway Company be at the time in default in the payment of the principal of any of the Gold Bonds, any such balance shall be held and disposed of in the same manner as the proceeds of the sale in enforcement of this indenture of the pledged securities as hereinafter provided.

SECTION 2. If one or more of the following events, herein called the events of default, shall happen, that is to say:

(*a*) default shall be made in the payment of any instalment of interest on any of the Gold Bonds when and as the same shall become due and payable, as therein and herein expressed, and such default shall continue for thirty days;

(*b*) default shall be made in the payment of the principal of any of the Gold Bonds when and as the same shall become due and payable, whether at maturity or by declaration or otherwise;

(*c*) default shall be made in the payment of any instalment of interest as the same shall mature or become payable on any of the bonds issued under or purporting to be secured by the Railway Company's Refunding and General Mortgage, mentioned in the Pledging Clause and securing the pledged securities, and such default shall continue

for thirty days, or in the principal of any of such bonds, when the same shall become payable, whether at maturity or by declaration or otherwise, or default shall be made in the payment of any instalment of interest on, or of the principal of, any bond or obligation secured by mortgage or deed of trust or lien on the property or any part thereof embraced in said mortgage in priority to the lien of said Refunding and General Mortgage, and such default in the payment of interest shall continue for thirty days;

(*d*) default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Railway Company in the Gold Bonds or in this indenture contained, and such default shall continue for thirty days after written notice thereof to the Railway Company from the Trustee, which shall give such notice at the written request of the holders of ten per cent. in principal amount of the Gold Bonds at the time outstanding;

(*e*) default shall be made in the payment of any instalment of interest, when the same shall become payable, on any bonds of, or guaranteed or purporting to be guaranteed by, or secured or purporting to be secured by mortgage or other lien upon any substantial part of the railroads owned by, the Railway Company, and such default shall continue for thirty days, or, in case of guaranteed bonds, for thirty days after written notice of such default to the Railway Company from the Trustee, which shall give such notice at the written request of the holders of ten per cent. in principal amount of the Gold Bonds at the time outstanding; or default shall be made

in the payment of the principal of any such bonds when the same shall become payable, whether at maturity or by declaration or otherwise;

(*f*) a receiver or receivers shall be appointed of the Railway Company or of any substantial part of the railroads owned by it;

then and in each and every such case during the continuance of such event of default, the Trustee may, and upon the written request of the holders of twenty-five per centum in amount of the Gold Bonds then outstanding, shall, by notice in writing to the Railway Company, declare the principal of all of the Gold Bonds then outstanding (if not already due and payable) to be due and payable; and upon any such declaration the same shall become and be due and payable forthwith, anything in the Gold Bonds or in this indenture contained to the contrary notwithstanding.

This provision, however, is subject to the condition that, if, at any time after the principal of the Gold Bonds shall have been so declared due and payable, and prior to the date of maturity thereof stated in the Bonds, all arrears of interest upon all the Gold Bonds (with interest at the rate of six per cent. per annum on any overdue instalment of interest), and the expenses of the Trustee, shall be paid by the Railway Company before a sale of any of the pledged securities in enforcement of this Trust Indenture shall have been made, and every other default in the observance or performance of any covenant or condition of the Gold Bonds or of this indenture shall be made good or be secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made

therefor, then and in every such case the holders of a majority in principal amount of the Gold Bonds then outstanding, by written notice to the Railway Company and to the Trustee, may waive the default by reason of which the principal of the Gold Bonds shall have so become due and the consequences of such default; but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 3. If one or more of the events of default shall happen, then, and in each and every such case, the Trustee shall, in its discretion, be forthwith entitled, either personally or by its agents or attorneys, and forthwith may proceed, to sell and convert into money, singly or collectively, the pledged securities, and at the written request of the holders of not less than twenty-five per centum in principal amount of the Gold Bonds at the time outstanding, it shall be the duty of the Trustee so to do. Such sale or sales shall be at public auction at such place in the Borough of Manhattan, in the City and State of New York, and at such time and upon such terms as the Trustee may fix.

Notice of any sale, whether under and by virtue of the power of sale herein contained, or under or by virtue of any judgment or decree of foreclosure and sale or other judicial proceeding, shall state the time when and the place where the same is to be made, and shall contain a brief general description of the property to be sold, and shall be sufficiently given if published once in each week for four successive weeks prior to such sale in one newspaper of general circulation in the Borough of Manhattan in the City and State of New York. The Trustee may

adjourn any such sale or cause the same to be adjourned from time to time by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, without further notice or publication, such sale may be made at the time and place to which the same may be so adjourned.

SECTION 4. Upon the completion of any sale or sales, the Trustee shall deliver to the accepted purchaser or purchasers the property sold, with good and sufficient transfers. The Trustee and its successor or successors are hereby appointed the true and lawful attorney and attorneys irrevocable of the Railway Company, in its name and stead to make all necessary instruments of transfer, and for that purpose may execute all necessary acts of assignment and transfer, and may substitute one or more persons or corporations with like power, the Railway Company hereby ratifying and confirming all that its said attorney or attorneys, or such substitute or substitutes, shall lawfully do by virtue hereof. Nevertheless the Railway Company shall, if so requested by the Trustee, ratify and confirm such sale by executing and delivering to the Trustee or to such purchaser or purchasers all proper transfers as may be designated in such request.

SECTION 5. Any sale or sales made under or by virtue of this indenture, whether under any power of sale hereby granted and conferred, or under or by virtue of judicial proceedings, shall divest all right, title, interest, estate, claim and demand whatsoever, either at law or in equity, of the Railway Company of, in and to the property

sold, and shall be a perpetual bar both at law and in equity against the Railway Company, its successors and assigns, and against any and all persons claiming or to claim the property sold or any part thereof, from, through or under the Railway Company, its successors or assigns; and no purchaser at any such sale or sales, or his representatives or assigns, shall be bound to see to the application of the purchase money upon or for any trust or purpose of this indenture, or be answerable in any manner whatsoever for any loss, misapplication or non-application of any such purchase money paid by such purchaser or any part thereof.

Section 6. The Trustee, however, instead of exercising the power of sale herein conferred upon it, may in its discretion, and shall, at the request in writing of the holders of a majority in principal amount of the Gold Bonds then outstanding, proceed by a suit or suits at law or in equity, as the Trustee may be advised by counsel, to enforce the payment of the Gold Bonds and the coupons thereto appertaining, and to enforce this indenture and sell the pledged securities pursuant to the judgment or decree of a court or courts of competent jurisdiction.

Section 7. In the event of any sale under or by virtue of this indenture, whether under any power of sale hereby granted or conferred or under or by virtue of judicial proceedings, of the pledged securities or any part thereof, the principal of the Gold Bonds, if not already due and payable, forthwith shall become due and payable, anything in the Gold Bonds or in this indenture to the contrary notwithstanding.

SECTION 8. In the event of any sale under or by virtue of this indenture, whether under any power of sale hereby granted and conferred or under or by virtue of judicial proceedings, the pledged securities may, as the Trustee shall deem most advantageous for the holders of the Gold Bonds, be sold either in one parcel as an entirety, or in several parcels, and, if in several parcels, in such parcels as the Trustee may determine. The Railway Company, for itself and for all persons or corporations hereafter claiming from, through or under it, hereby expressly waives and releases all right to have the pledged securities marshalled upon any foreclosure or other enforcement of this indenture.

SECTION 9. The Trustee in respect of the pledged securities shall have for all purposes of this indenture and may exercise all the rights of holder and owner thereof, and may take any action or proceeding which the holder or owner thereof for value might or could take as such holder or owner. No remedy conferred by this indenture is intended to be exclusive of any other remedy, but every such remedy shall be deemed cumulative and shall be in addition to every other remedy given hereunder, and shall not be deemed to deprive the Trustee of any legal or equitable remedy, by appropriate judicial proceedings or otherwise, to enforce the conditions, covenants and agreements of this indenture; and every power and remedy given by this indenture to the Trustee or to the holders of Gold Bonds may be exercised from time to time and as often as may be deemed expedient.

Section 10. In case of any sale of the pledged securities or of any part thereof, whether under the power of sale hereby granted or pursuant to judicial proceedings, the purchase money, proceeds or avails, together with any other sums which may then be held by the Trustee or be payable to it under any of the provisions of this indenture as a part of the trust estate, shall be applied as follows:

(*a*) to the payment of the costs, expenses, fees, and other charges of such sale or sales, and a reasonable compensation to the Trustee, its agents and attorneys, and to the payment of all expenses and liabilities incurred and advances or disbursements made by the Trustee;

(*b*) any surplus then remaining, to the payment of the whole amount owing or unpaid upon the Gold Bonds, for both principal and interest, with interest on the overdue instalments of interest at the rate of six per cent. per annum; and, in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the Gold Bonds, then to the payment of such principal and interest ratably, according to the aggregate of such principal and the accrued and unpaid interest, without preference or priority of principal over interest, or of interest over principal, or of any instalment of interest over any other instalment of interest;

(*c*) any surplus then remaining, to the Railway Company, its successors or assigns, or to whosoever may be lawfully entitled to receive the same.

These provisions, however, are not intended in any wise to modify the provisions of Section 5 of Article Third hereof, but are subject thereto.

Section 11. In case of any public sale of the pledged securities in pursuance of the powers conferred by this indenture or upon any sale pursuant to judicial proceedings, the purchaser, for the purpose of making settlement or payment for the property purchased, shall be entitled to turn in or apply towards the payment of the purchase price, and to be credited with, any Gold Bonds, and any matured and unpaid coupons, to the extent of the value of such bonds and coupons upon a distribution among the bondholders of the net proceeds of such sale after making the deductions allowable under the terms hereof for the cost and expenses of the sale or otherwise. But such bonds and coupons so applied in payment by the purchaser shall be deemed to be paid only to the extent so applied. At any sale of the pledged securities or of any part thereof, the Trustee, or any bondholders or their agents, may bid for and purchase the property so sold and may make payment therefor as aforesaid, and, upon compliance with the terms of sale, may hold, retain and dispose of such property without further accountability; and the receipt of the Trustee shall be a sufficient discharge for the purchase money to any purchaser of the property, or any part thereof, sold under any of the provisions of this indenture.

Section 12. Anything in this indenture contained to the contrary notwithstanding, the holders of two-thirds in principal amount of the Gold Bonds then outstanding shall have the right, from time to time, if they so elect

and manifest such election by an instrument in writing executed and delivered to the Trustee, to direct the manner, method and place of conducting any and all proceedings for any sale of the pledged securities or any part thereof, not, however, otherwise than in accordance with the provisions of this indenture.

SECTION 13. In case

(*a*) default shall be made in the payment of any instalment of interest on any of the Gold Bonds when and as the same shall become payable as therein and herein expressed, and such default shall continue for thirty days, or

(*b*) default shall be made in the payment of the principal of any of the Gold Bonds when and as the same shall become due and payable, whether at maturity or by declaration, or otherwise;

then and in every such case the Railway Company, upon demand of the Trustee, will pay to the Trustee for the benefit of the holders of the Gold Bonds then outstanding the whole amount which shall then have become due and payable on all the Gold Bonds then outstanding for interest or principal, or both, as the case may be, with interest upon the overdue principal and instalments of interest at the rate of six per cent. per annum; and in case the Railway Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment for the whole amount so due and unpaid. The Trustee shall be entitled

to recover judgment as aforesaid, either before or after or during the pendency of any proceedings for the enforcement of the lien of this indenture upon the pledged securities, and its right to recover such judgment shall not be affected by any sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this indenture, or by foreclosure of the lien hereof; and, in case of a sale of the pledged securities or any part thereof and of the application of the proceeds of sale to the payment of the indebtedness represented by the Gold Bonds and coupons, the Trustee, in its own name and as trustee of an express trust, shall be entitled to receive, and to enforce payment of, any and all deficiency or amounts then remaining due and unpaid upon any or all of the Gold Bonds then outstanding, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of such indebtedness remaining unpaid, with interest. No recovery of any judgment by the Trustee, and no levy of any execution upon any such judgment upon property subject to the lien of this indenture or upon any other property, shall in any manner or to any extent affect or impair the lien of the Trustee upon the pledged securities, or any part thereof, or any rights, powers or remedies of the Trustee hereunder, or any rights, powers or remedies of the holders of the Gold Bonds; but such lien, rights, powers and remedies shall continue unaffected and unimpaired as before. Any moneys thus collected by the Trustee under this Section 13 shall be applied by the Trustee: first, to the payment, at the option of the Trustee, of the costs and expenses of the proceedings resulting in the collecting of such moneys; and, secondly, toward payment of the amounts then due and unpaid upon the Gold Bonds

and coupons in respect of which such money shall have been collected, ratably and without any preference or priority of any kind (except as provided in Section 5 of Article Third), according to the amounts due and payable upon such bonds and coupons respectively at the date fixed by the Trustee for the distribution of such moneys.

Section 14. No delay or omission of the Trustee or of any holder of Gold Bonds to exercise any right or power arising from any default of the Railway Company hereunder shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein.

## ARTICLE SEVENTH.

Section 1. The Trustee accepts the trusts of this indenture and agrees to execute them upon the following terms and conditions, to which the parties and the holders of the Gold Bonds agree:

> The Trustee shall be entitled to reasonable compensation for all services rendered by it in the execution of the trusts hereby created; which compensation shall not be limited by any provision of law with respect to the compensation of a trustee of an express trust; and such compensation, as well as the reasonable compensation of its counsel, agents or attorneys, and all other reasonable expenses necessarily incurred and actually disbursed hereunder, the Railway

Company agrees to pay, and for such payment the Trustee shall have a lien on the pledged securities under this indenture in priority to the rights and claims of the holders of the Gold Bonds.

The Trustee shall not be responsible in any manner whatsoever for the recitals herein contained as to the acts or powers of the Railway Company or otherwise, all of which are made by the Railway Company solely.

The Trustee shall not be responsible for or in respect of the validity or sufficiency of this indenture, or the execution thereof by the Railway Company, nor for or in respect of the validity of the Gold Bonds or coupons, nor for or in respect of the title, value or validity of the pledged securities.

Unless and until the Trustee shall have received written notice to the contrary from the holders of not less than five per cent. in principal amount of the Gold Bonds at the time outstanding, the Trustee may, for all the purposes of this indenture, assume that the Railway Company is not in default under this indenture and that none of the events hereinbefore denominated events of default has happened.

The Trustee shall not be under any obligation to take any action toward the execution or enforcement of the trusts hereby created which, in its opinion, will be likely to involve it in expense or liability, unless one or more of the holders of the Gold Bonds shall, as often as required by the

Trustee, furnish it reasonable security and indemnity against such expense or liability; nor shall the Trustee be required to take notice of any default hereunder unless notified in writing of such default by the holders of at least five per cent. in principal amount of the Gold Bonds at the time outstanding, or to take any action in respect of any such default involving expense or liability unless requested by an instrument in writing signed by the holders of not less than fifteen per cent. in principal amount of the Gold Bonds at the time outstanding, nor unless from time to time furnished with reasonable security and indemnity as aforesaid, anything herein contained to the contrary notwithstanding; but neither any such notice or request, nor this provision therefor, shall affect any discretion herein given to the Trustee to determine whether or not the Trustee shall take action in respect to such default or to take action without such request.

The Trustee shall be fully protected in acting upon, or in accordance with, any notice, request, consent, certificate, bond, coupon or other instrument or paper believed by it to be genuine, and to have been signed or presented by the proper person, or duly authorized, or properly made.

The Trustee may employ agents or attorneys in fact, and shall not be answerable for the default or misconduct of any agent or attorney appointed by it in pursuance hereof, if such agent or attorney shall have been selected with reasonable care, nor for anything whatever in connection with this trust, except its own wilful misconduct or gross negligence.

The Trustee may advise with legal counsel (including counsel of the Railway Company), and shall be protected in respect of any action under this indenture taken in good faith by the Trustee in accordance with the opinion of counsel.

It shall be no part of the duty of the Trustee to receive, or to see to the application of, the proceeds of the Gold Bonds, or to give notice of the lien hereby created to any person or corporation.

The Trustee shall be reimbursed and indemnified by the Railway Company for or against any liability or damage not due to the gross negligence or wilful default of the Trustee.

The Trustee may hold and own Gold Bonds with the same rights which it would have if it were not Trustee hereunder.

SECTION 2. The Trustee may resign, and be discharged from, the trusts created by this indenture by giving to the Railway Company notice in writing of such resignation, specifying a date when such resignation shall take effect, and also by publication of such notice at least once in each of three successive weeks prior to the date specified in such notice in a daily newspaper published in the Borough of Manhattan, in the City and State of New York. Such resignation shall take effect on the date specified in such notice, unless previously a successor trustee shall be appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor trustee.

Any Trustee at the time being hereunder may be removed at any time by an instrument in writing filed with such Trustee and executed by the holders of three-fourths in principal amount of the Gold Bonds at the time outstanding.

Section 3. In case at any time the Trustee shall resign or give notice of resignation or shall be removed or shall become incapable of acting, a successor may be appointed by the holders of a majority in principal amount of the Gold Bonds at the time outstanding, by an instrument or concurrent instruments signed by such bondholders or their attorneys in fact duly authorized; but until a new trustee shall be appointed by said bondholders as herein authorized, the Railway Company, by an instrument executed under its corporate seal by order of its board of directors or executive committee, may appoint a trustee to fill such vacancy. Every successor trustee under this indenture, however and by whomever appointed, shall always be a trust company having an office in the Borough of Manhattan, in the City and State of New York, and having a capital and surplus aggregating at least two million dollars. After any such appointment by the Railway Company, it shall cause notice of such appointment to be published once a week in each of four successive weeks in one daily newspaper published in said Borough of Manhattan, in the City of New York; but any new trustee so appointed by the Railway Company shall immediately, and without further act, be superseded by a trustee appointed, in the manner above provided, by the holders of a majority in principal amount of the Gold Bonds at the time outstanding.

Section 4. Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Railway Company an instrument accepting such appointment hereunder, and thereupon such successor trustee,

without any further act, deed or conveyance, shall become vested with the title to the pledged securities, and with all the rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the pledged securities or cause the pledged securities to be assigned and transferred to the successor trustee, and shall be entitled to the payment of its charges and expenses theretofore incurred. Upon request of such successor trustee, the Railway Company shall execute and deliver such instruments of assignment and further assurance as may reasonably be required for more fully and certainly vesting in and confirming to such successor trustee all the right, title and interest of the predecessor trustee in and to the pledged securities and such rights, powers, trusts, duties and obligations. All conveyances and instruments herein provided for shall be at the cost of the Railway Company.

Section 5. Any corporation resulting from any merger or consolidation to which the trustee at the time being shall be a party, provided such corporation shall be a corporation organized under the laws of the State of New York having a capital and surplus aggregating at least two million dollars and shall do business in the Borough of Manhattan in the City and State of New York, shall be the successor trustee under this indenture, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 6. The term the Trustee wherever used in this indenture, means, unless the context shall otherwise require, the trustee for the time being under this indenture whether original or successor.

Section 7. The Trustee may accept the certificate of the President or a Vice-President and the Secretary or an Assistant Secretary of the Railway Company as conclusive evidence of any fact or facts upon which any action by the Trustee may depend, or upon which it may desire or require information for the purposes of such action, unless some other method of procedure, or evidence, or source of information, is herein provided for; and such certificate shall be full protection to the Trustee for any action taken upon the faith thereof.

Section 8. The Trustee may treat all moneys received by it under the provisions of this indenture while held by it hereunder as a general deposit and shall allow interest thereon at the rate generally prevailing among New York City trust companies or allowed by it upon deposits of a similar character.

## ARTICLE EIGHTH.

Section 1. No holder of any Gold Bond or coupon shall have the right to institute any suit, action or proceeding at law or in equity upon or in respect of this indenture, or for the execution of any trust or power hereof, or for any other remedy under or upon this indenture, unless such holder shall previously have given to the Trustee written notice of an existing default and of the

continuance thereof as hereinbefore provided; nor unless also the holders of fifteen per cent. in principal amount of the Gold Bonds at the time outstanding shall have made written request upon the Trustee after the happening of an event of default, and shall have afforded to it reasonable opportunity either to proceed itself to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name; nor unless also such holder or holders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred in or by reason of such action, suit or proceeding and such notification, request and offer of indemnity are hereby declared, in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this indenture, and to any action or cause of action for foreclosure or for any other remedy hereunder; it being intended that no one or more holders of the Gold Bonds or coupons shall have any right in any manner whatever to affect, disturb or prejudice the lien of this indenture by his or their action, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of the outstanding Gold Bonds and coupons.

But the foregoing provisions of this Section 1 are intended only for the protection of the Trustee, and shall not be construed to affect any discretion or power by any provision of this indenture given to the Trustee to determine whether or not it shall take action in respect of any default without such notice or request from the bond-

holders, or to affect any other discretion or power given to the Trustee.

SECTION 2. No delay or omission of the Trustee, or of any holder of Gold Bonds to exercise any right or power accruing upon any default, shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein; and every power and remedy given by this indenture to the Trustee or to said bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by said bondholders.

## ARTICLE NINTH.

SECTION 1. Any request or other instrument required by this indenture to be signed and executed by bondholders may be in any number of concurrent instruments of similar tenor, and may be executed by such bondholders in person, or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument or of the holding by any person of Gold Bonds shall be sufficient for any purpose of this indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, if made in the following manner, viz.:

*(a)* the fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or other officer authorized to

take, either within or without the State of New York, acknowledgments of deeds to be recorded in said State, certifying that the persons signing such request or other instrument acknowledged to him the execution thereof; or by the affidavit of a witness to such execution;

(*b*) the amount of Gold Bonds held by any person executing any such request or other instrument as a bondholder, and the issue numbers of the Gold Bonds held by such person and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated whose certificate shall be deemed by the Trustee to be satisfactory, showing that, at the date therein mentioned, such person had on deposit with such depositary, or exhibited to such depositary, the Gold Bonds numbered and described in such certificate.

Section 2. As to all registered Gold Bonds and all coupon Gold Bonds registered as to principal, the person in whose name the same shall be registered on the books of the Railway Company shall, for all purposes of this indenture, be deemed and regarded as the owner thereof, and thereafter payment of or on account of the principal of such bond, if it be a registered coupon bond, and of the principal and interest, if it be a registered bond without coupons, shall be made only to or upon the order of such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bonds to the extent of the sum or sums so paid. The Railway Company and the Trustee may

deem and treat the bearer of any coupon Gold Bond which shall not at the time be registered as to principal, and the bearer of any coupon for interest on any coupon bond, whether such bond shall be registered as to principal or not, as the absolute owner of such bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Railway Company and the Trustee shall not be affected by any notice to the contrary.

## ARTICLE TENTH.

Section 1. If when the Gold Bonds shall have become due and payable the Railway Company shall well and truly pay or cause to be paid the whole amount of the principal and interest due upon all said bonds then outstanding, or shall provide for such payment by depositing with the Trustee hereunder, within six months before the maturity of said bonds, for the payment of said bonds and interest thereon, the entire amount due or to become due for such principal and interest, and shall also pay or cause to be paid all other sums payable hereunder by the Railway Company, and shall well and truly keep, perform and observe all the things herein required to be kept, performed and observed by it according to the true intent and meaning of this indenture, then and in that case the estate, right, title and interest of the Trustee in the pledged securities shall thereupon cease, determine and become void, and the Trustee shall in such case, on written demand of the Railway Company, and at the cost and expense of the latter, execute an instrument of satisfaction and discharge of this indenture, and such instruments of as-

signment and transfer in respect of the pledged securities at that time subject to the lien hereof as may be necessary or appropriate.

## ARTICLE ELEVENTH.

Section 1. Nothing in this indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation other than the parties hereto and the holders of Gold Bonds and the appurtenant coupons, any right, remedy or claim under and by reason of this indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this indenture contained shall be for the sole and exclusive benefit of the parties hereto and their successors, and of the holders of the Gold Bonds and the coupons appertaining thereto.

Section 2. No recourse under any obligation, covenant or agreement of this indenture, or of any Gold Bond or coupon issued hereunder, shall be had against any incorporator, stockholder, officer or director, past, present or future, of the Railway Company, by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise; it being expressly agreed and understood that this indenture and the obligations hereby secured are solely corporate obligations, and that no personal liability whatever shall attach to, or be incurred by, the incorporators, stockholders, officers or directors, past, present or future, of the Railway Company, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this indenture, or in any of the Gold Bonds

or coupons issued hereunder, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such incorporator, stockholder, officer or director, is hereby expressly waived as a condition of, and consideration for, the execution of this indenture and the issue of such bonds and coupons.

## ARTICLE TWELFTH.

Section 1. Nothing in this indenture shall prevent the consolidation of the Railway Company with any other company, or the merger into the Railway Company of any other company, or the merger of the Railway Company into any other company, or the sale by the Railway Company of its property as an entirety, or the reincorporation of the Railway Company as a Federal Corporation in accordance with the requirements or permission of any Act of Congress in that behalf; *provided* that any such consolidation or merger or sale or reincorporation shall be on such terms as to preserve and not to impair the lien and security of this indenture and the rights and powers of the Trustee and of the holders of the Gold Bonds; and *provided further* that the corporation formed by such consolidation, or into which the Railway Company shall be merged or reincorporated, or to which the Railway Company shall sell its property as an entirety, shall as a part of such consolidation or merger or reincorporation, and as a condition of any such sale of the property of the Railway Company as an entirety, simultaneously execute and deliver a proper indenture to the Trus-

tee, in form satisfactory to the Trustee, whereby such corporation shall assume the due and punctual payment of the principal and interest of all the Gold Bonds and the performance of all the covenants and conditions of this indenture.

SECTION 2. The corporation formed by such consolidation or into which the Railway Company shall have been merged or reincorporated, or to which such sale shall have been made, having executed such indenture with the Trustee, whereby such corporation shall assume the due and punctual payment of all the Gold Bonds and the performance of all the covenants and conditions of this indenture, shall succeed to and be substituted for the Railway Company, with the same effect as if it had been named herein as the party of the first part hereto.

For every purpose of this indenture, the term Railway Company includes and means, not only Central of Georgia Railway Company, but also any such successor corporation. Every such successor corporation shall possess, and from time to time may exercise, each and every right and power hereunder of Central of Georgia Railway Company in its name or otherwise; and any act or proceeding by any provision of this indenture required to be done or performed by any board or officer of the Railway Company may be done and performed with like force and effect by the like board or officer of any corporation that shall at the time be such lawful successor of the Railway Company.

In Witness Whereof the Railway Company has caused its corporate seal to be hereunto affixed and this Indenture to be signed by its President or a Vice-President and by its Secretary or an Assistant Secretary, and the Trustee, in token of its acceptance of this trust, has caused its corporate seal to be hereunto affixed and this Indenture to be signed by its President or one of its Vice-Presidents and by its Secretary or an Assistant Secretary, as of the day and year first above written, in triplicate.

Central of Georgia Railway Company,
[corporate seal] by A. R. Lawton,
President.

Attest:
Chas. F. Groves,
Secretary.

Guaranty Trust Company of New York,
[corporate seal] by F. J. H. Sutton,
Vice-President.

Attest:
H. A. Duncan,
Ass't. Secretary.

State of New York,
County of New York, } ss.:

I, A. E. Burke, a notary public in and for the county and state aforesaid, do certify that on this 11th day of June, A. D. 1919, before me personally came Alexander R. Lawton, President of Central of Georgia Railway Company, to me personally known, whose name is signed to the foregoing writing, and who being by me duly sworn, deposed and said: that he resides in the City of Savannah, Georgia; that he is President of Central of Georgia Railway Company, one of the corporations described in and which executed the above instrument; that he knows the corporate seal of said Company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto as President by like authority.

And the said Alexander R. Lawton further deposed and said: that he was acquainted with Chas. F. Groves and knew him to be the Secretary of said Company; that the signature of said Chas. F. Groves subscribed to said instrument is in the genuine handwriting of said Chas. F. Groves and was thereto subscribed by the like order of said Board of Directors in the presence of him, the said Alexander R. Lawton.

And the said Alexander R. Lawton acknowledged said writing before me in my county aforesaid to be the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and official seal this 11th day of June, 1919.

A. E. Burke,
Notary Public, New York County,
(Seal) New York County Clerk's No. 356.
New York Register's No. 10024.
My Commission expires March 30, 1920.

STATE OF NEW YORK,
County of New York, } ss.:

I, A. E. BURKE, a notary public in and for the county and state aforesaid, do certify that on this 11th day of June, A. D. 1919, before me personally came F. J. H. SUTTON, one of the Vice-Presidents of Guaranty Trust Company of New York, to me personally known, whose name is signed to the foregoing writing, and who being by me duly sworn, deposed and said: that he resides in the City of New York; that he is one of the Vice-Presidents of Guaranty Trust Company of New York, one of the corporations described in and which executed the above instrument; that he knows the corporate seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto as Vice-President by like authority.

And the said F. J. H. SUTTON further deposed and said: that he was acquainted with H. A. DUNCAN and knew him to be one of the Assistant Secretaries of said Company; that the signature of said H. A. DUNCAN subscribed to said instrument is in the genuine handwriting of said H. A. DUNCAN and was thereto subscribed by the like order of said Board of Directors and in the presence of him the said F. J. H. SUTTON.

And the said F. J. H. SUTTON acknowledged said writing before me in my county aforesaid to be the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and official seal this 11th day of June, 1919.

A. E. BURKE,
Notary Public, New York County,
(SEAL) New York County Clerk's No. 356.
New York Register's No. 10024.
My Commission expires March 30, 1920.

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